GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:741
ANSWERED ON:17.05.2002
EXTERNAL DEBT
ALE NARENDRA;THAAWAR CHAND GEHLOT

Will the Minister of FINANCE be pleased to state:

(a) the position of India among the indebted countries of the world;

(b) the total external debt of the Government as on March 31, 2002;

(c) the amount India has to pay as interest against the total loan every year;

(d) the total amount of principal and interest paid to external/ domestic creditors during each of the last three years, country-wise and Institution-wise; and

(e) the schemes of the Government to repay the debt and to get rid of the debt burden?

Answer

FINANCE MINISTER (YASHWANT SINHA)

(a), (b), (c), (d) & (e): A statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred QuestionNo. 741 by Shri Thawar Chand Gehlot and Shri A. Narendraregarding external debt for answer on May 17, 2002.

a) India ranks ninth among the top fifteen indebted countries of the world in the year 2000 in terms of total external debt outstanding and it ranks tenth in terms of the Present Value (PV)of total external debt as per the latest Global Development Finance, 2002, (GDF) published by the World Bank. However, India is categorized as a less indebted country.

b) The external debt of the Government as on end-March, 2002 against Multilateral and Bilateral sources was US$ 40.58 billion.

(c) & (d) The principal and interest payment by the Government on external debt during last three years are as under:

Debt Service Payments on Government Account

(Figures in US $ million)

Sl. No.	Creditor	April 01,2000- March 31, 2001 Principal	Interest	Total
I	Multilateral:			
1	IDA	367.89	137.66	505.54
2	IBRD	829.79	319.86	1149.65
3	ADB	117.16	159.24	276.40
4	IFAD	5.44	2.16	7.60
5	Others	11.36	0.67	12.02
	Total:	1331.64	619.58	1951.21
II	Bilateral:			

1 Japan 319.14 227.51 546.65
2 Germany 111.89 27.12 139.01
3 United States 139.11 38.29 177.39
4 France 45.30 24.26 69.56
5 Netherlands 42.51 11.86 54.37
6 Russian
Federation 57.25 8.45 65.70
7 Others 104.77 8.51 113.30

Total: 819.97 346.00 1165.98

Grand Total: 2151.61 965.58 3117.19

April 01,1999- March 31, 2000
Principal Interest Total

I Multilateral:

1 IDA 329.83 139.13 468.96
2 IBRD 746.18 382.88 1129.06
3 ADB 96.65 147.04 243.69
4 IFAD 5.46 2.20 7.66
5 Others 13.22 0.68 13.90

Total: 1191.34 671.93 1863.28

II Bilateral:

1 Japan 288.49 228.25 516.74
2 Germany 123.96 34.41 158.36
3 United States 136.27 41.38 177.65
4 France 50.10 29.41 79.52
5 Netherlands 46.38 13.96 60.33
6 Russian
Federation 59.24 9.45 68.69
7 Others 112.86 10.36 123.23

Total: 817.30 367.22 1184.52

Grand Total: 2008.64 1039.15 3047.79

April 01,1998- March 31,1999
Principal Interest Total

I Multilateral:

1 IDA 287.69 134.28 421.97
2 IBRD 730.40 415.77 1146.16
3 ADB 80.95 130.29 211.24
4 IFAD 5.05 2.06 7.10
5 Others 13.34 0.69 14.03

Total: 1117.42 683.09 1800.51

II Bilateral:

1 Japan	241.08	189.51	430.59
2 Germany	136.20	43.00	179.20
3 United States	134.03	44.45	178.48
4 France	54.63	34.46	89.10
5 Netherlands	50.16	15.99	66.15
6 Russian Federation	53.36	11.16	64.52
7 Others	132.32	12.99	145.31
Total:	801.78	351.56	1153.35
Grand Total:	1919.20	1034.65	2953.85

Note: As regards External Debt there are no domestic creditors.

e) The Government follows a prudent external debt management policy that focuses on external borrowing from only multilateral and bilateral sources concentrating on concessional and less expensive debt, keeping the maturity structure of the total external debt under manageable limits, limiting short term debt, prepayment of more expensive external debt, encouraging non-debt creating financial flows on capital account and exports and invisibles on current account.